GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1452
ANSWERED ON:04.08.2006
EVASION OF SERVICE TAXES BY CABLE OPERATORS
Singh Shri Sitaram

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that the Cable Operators are evading service taxes worth crores of rupees annually ;

(b) if so, the details of tax evaded during the last three years ;

(c) whether in the recent survey it has been found that cable operators in Delhi are paying less Service Tax;and

(d) if so, whether the Government proposes to take action against such operators for evading service tax ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir. The Government has noticed evasion of Service Tax by some cable operators.

(b) The details of Service Tax evaded during the last three years are as follows :-

Year	Number of cases detected	Amount (in crores of rupees)
2003-04	476	3.29
2004-05	147	3.27
2005-06	284	9.43

(c) No survey has been conducted on cable operators during the year 2005-06 and 2006-07 (upto31-07-2006).However, on receipt of specific information three premises i n Delhi were searched and five companies were found rendering taxable services without payment of appropriate Service Tax with reference to Cable services.Rs. 2.5 lakhs was recovered from the companies.

(d) Action under Central Excise Act, 1944 and the rules made thereunder is being taken against the defaulters.